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Practical cases on AD / Col investigations

**Member of High Judicial Council
and Judge of Appeal
Year 2014**

Judge of Appeal/ Member of HJC

- Annual declaration of assets in Albania is done: 31st March of each year.
- The official (the Judge) his wife (Linda – business woman) and adult children (couple didn't have children)
- The declaration form included :
 1. Assets of the Judge + their origin
 2. Assets in common
 3. Individual assets of the wife (separate sheet signed by the person)
- Full auditing procedure started for the HJC member Jon and his wife Linda. (functions/ by request) – for 10 years time (art. 17 ADL)

What was declared/ declaration form?

- **Agreement for sell and purchase businesses - Transferred to Trusty person (Luca)**
 1. 70% of shares - Company 'ADFD' = 300.000 EUR (2007)
 2. Company 'ALBCOS' – Linda (2012)
 3. Prestige Group – Linda (2012)
 4. Terra Toscana Alimentary – Jon and Linda 50% (2010)

What was declared/ declaration form?

- **Real estate contracts**

1. Champagne Residential villa = 700.000 EUR (2012)
2. D-town Tirana apartments = 176.000 EUR
- sold for 140.000 EUR (2008)
3. Apartment sold for 180.000 USD (2010)
4. Apartment bought for 53.000.000 ALL/~
379.000 EUR (2011)

What was declared/ declaration form?

- **Movable Property /Pledge Contracts**

1. Car selling contract = 14.000 EUR
2. Car purchase loan contract = 60.000 EUR (2010)
3. 2 Loans contracts with Steve (British citizen) = 280.000 EUR (2007-08)
4. Declarations of partial reimbursement and interests to Steve for = 127.000 EUR (2012-2013)

Requests for information

- **HIDAACI : requests for information to all public registers / institutions!**
 - Banks (Central/2nd level banks)~ 20institutions
 - National Registration Center (NRC) for Businesses
 - National Licensing Center (NLC)
 - Immovable Property Registration Offices
 - Vehicles Register
 - Total Information Management System (TIMS)
 - Agency for the Legalization, Urbanization and integration of informal constructions
 - Utilities services companies (water/ energy/ telephone)

Findings of HIDAACI's investigation

- False declarations / contracts
- Hiding wealth / Non declaring
- Conflict of interests / incompatibilities with the functions
- Lack of origin of the financial resources

Findings of HIDAACI's investigation

- **Company ADFD. 70% shares sold for two different prices** (70.000 ALL /300.000 EUR). Lack of origin of the financial resources
- **6 businesses non declared or transfer of the businesses not effectuated to trusty person** (Bio Gourmet L.L.C - Best buy drug store - Duty Free shop- Prestige group- Albcos C.- Vintage second hand.)
- **Car selling contract was false/14.000 EUR** – the car sold was registered on his brother's name
- **Car purchase loan contract was false / 60.000 EUR** – full reimbursement of the price before the loan contract signed.
- **Declarations of partial reimbursement and interests to Steve were false /127.000 EUR** (2012-13)- 2 Loans contracts with Steve (British citizen) = 280.000 EUR (2007-08). TIMS control – Steve never been to Albania during the declarations days.
- **109 and 127 - exits outside Albania** ~ 250.000 EUR / Travelling

➤ **Real estate contracts were false** - done twice with different prices.

Ex: Champagne villa – 98.000.000 ALL/ 700.000 EUR



Findings after judges' explanations

- **Jon – submitted to HIDAACI additional documents from National Registration Center – pretending that He/Linda has solved the situation of conflicts of interest by transferring all 6 businesses to a trusty person.**
- Reconfirmation letter from NRC
- The additional documents produced by Jon- were found on hard copy only after the date of communications between HIDAACI / NRC
- Electronic versions of the additional documents was lacking.
- Stamp used by NRC before and after November 2013 was different. (Title of the Ministry different). Stamp used for all additional documents (2010-2013) was the new stamp.

Findings after judges' explanations

- Documents were falsified and included in collaboration with 2 NRC's employees – holding the stamp of the institution
- Conflicts of Interest resolution was never done by Jon and Linda. Trusty person never nominated.
- Real estate contracts falsified – (2 prices) and 2 notaries were found as accomplices - breaching the Law on Notary in the RoA.
- Assets were hidden and there are allegations of money laundering from proceeds of crimes.
- Disciplinary measures were requested to HCJ by HIDAACI
- Criminal charges were filed against Jon/ Linda - the trusty person - 2 notaries - 2 NRC's employees.

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Thank you for your attention
Questions

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